

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining JOHN R. BAZA

Division Director

December 15, 2015

Robert Hicken Mountain Valley Stone Inc. 2276 South Daniels Road Heber, Utah 84032

Subject: Permit to Commence Small Mine Activities and Directive to Amend Notice, Mountain

Valley Stone Inc., Gunnison Valley Mine, S/039/0041, Sanpete County, Utah

Dear Mr. Hicken:

The Division of Oil, Gas and Mining finds your Notice of Intention to Commence Small Mining Operations (Notice) complete and approves the reclamation surety (\$28,600) for the Gunnison Valley mine. The surety amount is escalated until 2020. The permitted disturbance area is five acres, and includes the existing disturbance formerly associated with the Antelope Valley mine (S/039/0016), for which you now hold sole reclamation liability. You are now permitted to conduct mining activities as outlined in the Notice provided you have approval from all other appropriate agencies. The approval or acceptance of a complete Notice does not relieve an operator from his responsibility to comply with the applicable statutes, rules, regulations, and ordinances of all local, state and federal agencies with jurisdiction over any aspect of the operator's mining operations. Enclosed please find a copy of the reclamation contract and stamped complete Notice.

The mineral ownership shown in the Notice is in question. The complete Notice identifies Zamaroni Quarry, Inc., as the owner, while the fact sheet, received as part of the Reclamation Contract, identifies the mineral owner as Mountain Valley Stone Inc. By January 8, 2015, either provide the Division with an amended page 4 of the Notice, or notify the Division that the fact sheet needs to be changed.

Please keep in mind the following regulatory requirements:

- Stockpiling topsoil material prior to beginning activities will help ensure successful revegetation. Even the first few inches of undeveloped material is worth saving to aid in later revegetation efforts, and future regulatory surety release.
- If you encounter any archaeological or historical items, you are asked to notify this office and the Division of State History.

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Permit fees and annual reports are due by January 31st.

The Division's web page at http://ogm.utah.gov under the Mining Program has a link to the rules under which you are expected to operate and to other information to assist you in complying with program requirements. Thank you for your cooperation. In reply, please refer to file number S/039/0041. Please contact Peter Brinton at 801-538-5258 or Paul Baker at 801-538-5261 if you have questions or concerns regarding this action.

Sincerely,

Dana Dean, P.E.

Associate Director, Mining

DD: pnb: eb

Enclosure: Copy of RC & surety forms Copy of complete NOI

Paul Frischknecht (surface owner); 50 North Main Street, Manti, Utah 84642

Zamaroni Quarry Inc. (reported mineral owner); 3500 Pataluma Hill Road, Santa Rosa, California 95405

Scott Olsen, Sanpete County; solsen@sanpetecounty-ut.gov